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NOT TO BE RELEASED BEFORE 10:00 A.M. FEBRUARY 29, 1972

STATEMENT BY NELSON GROSS
SENIOR ADVISER TO THE SECRETARY OF STATE
AND COORDINATOR FOR INTERNATIONAL NARCOTICS MATTERS
BEFORE THE

SUBCOMMITTEE ON DRUG ABUSE COMMITTEE ON ARMED SERVICES UNITED STATES SENATE TUESDAY, FEBRUARY 29, 1972

UNITED STATES GOVERNMENT EFFORTS IN INTERNATIONAL NARCOTICS CONTROL

Mr. Chairman:

The President has made drug abuse control a national objective of first priority in our foreign relations. In his message to the Congress on June 17, 1971, he stated:

"No serious attack on our national drug problem can ignore the international implications of such an effort, nor can the domestic effort succeed without attacking the problem on an international plane."

In addition to a comprehensive program to combat the problem of drug abuse on the domestic front, the President therefore called for a world-wide cooperative approach.

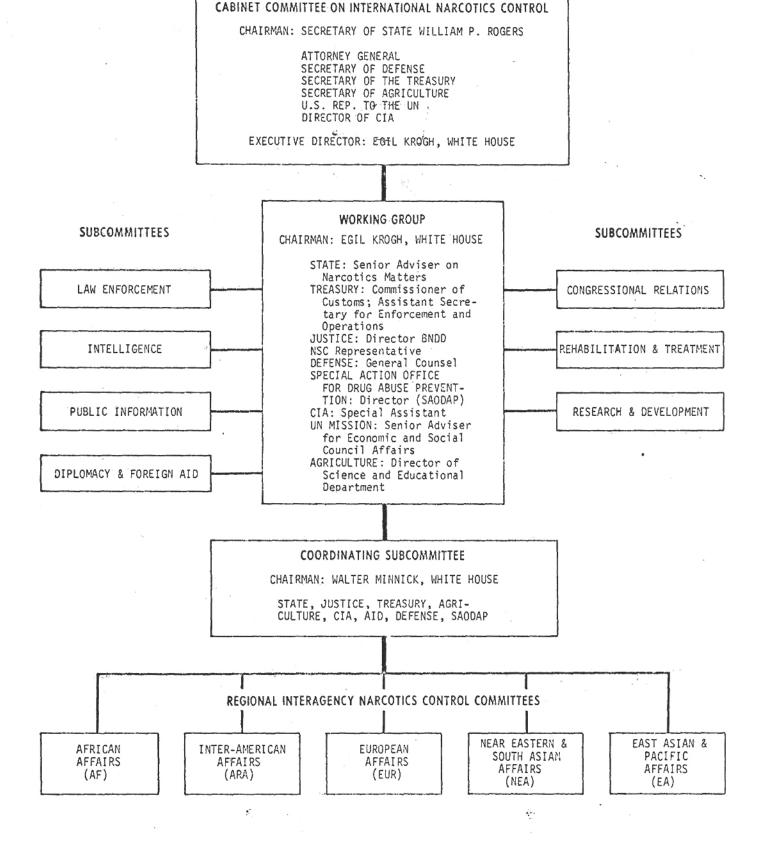
The use of drugs by members of U.S. military forces overseas, a subject of primary interest and concern to this Committee, was of course an important consideration in

his appeal and a major factor in the need to discover and undertake urgent solutions.

Since the President's message of eight months ago, there has been marked progress in our efforts to broaden and strengthen controls over narcotics and other dangerous drugs. A high degree of coordination has been developed among Federal agencies to deal with both the demand and the supply side of the problem. I can also report that our efforts are generating support from other countries in the attack against drug abuse.

The Department of State has the primary role in mobilizing and coordinating U.S. efforts to deal with the foreign supply and international trafficking elements of the drug problem. The Cabinet Committee on International Narcotics Control, established formally in September 1971, is chaired by Secretary of State William Rogers. The organizational structure of the Committee, shown in the accompanying chart, provides complete interagency coordination from Cabinet level down through the Executive Branch. The State Department's activities have also been intensified through the upgrading and expansion of the Secretary's Office of Narcotics Matters. Moreover, Drug Control

## U.S. GOVERNMENT INTERNATIONAL NARCOTICS CONTROL



DECLASSIFIED PA/HO, Department of State E.O. 12958, as amended June 22, 2004 Coordinators have been designated for the Department's geographic and functional bureaus, and each of the five geographic bureaus has established an Interagency Narcotics Control Committee with representation from State, Agency for International Development (AID), Bureau of Narcotics and Dangerous Drugs (BNDD), Treasury and the Bureau of Customs, Defense, Central Intelligence Agency (CIA), and United States Information Agency (USIA). For our overseas operations, Drug Control Officers have been designated by missions to coordinate the Country Team efforts.

To systematize our bilateral approach to drug control, the Cabinet Committee has directed the preparation of Narcotics Control Action Plans for more than 50 countries considered to have a current or potential involvement in the production, processing, consumption, or transshipment of illicit hard drugs. Prepared by the Country Teams in the various countries, the plans focus on heroin and cocaine destined for the U.S. market or U.S. personnel abroad. The action plans include a description of the drug situation in the country in question, a statement of goals, the strategy to achieve such goals, estimated costs, priorities,

and a general timetable for implementation. After review and approval in Washington, the action plans are returned to Foreign Service posts to serve as a basis for opening discussions with host governments for the negotiation of bilateral narcotics control agreements or programs. U.S. cooperation will be multi-faceted, the thrust of our efforts abroad will be to increase local enforcement capabilities and to gather and exchange intelligence with foreign governments with a view to curtailing supplies and interdicting the flow of illicit drugs. In areas where the reduction of opium poppy cultivation is practicable, this will be encouraged. Where the presence of U.S. military forces are a factor, the detection and rehabilitation of drug users are the responsibility of the U.S. military authorities.

The most heartening news in the battle against drug abuse in 1971 was the decision announced on June 30 by Turkey to ban the cultivation of the opium poppy following the harvesting of the 1971-72 crop. For hundreds of years, thousands of Turkish families have raised the opium poppy as a legitimate cash crop and for its edible oil and seed.

Unlike most opium-producing countries, Turkey does not have an addiction problem. Moreover, prior to the ban, the Turkish farmer had little, if any, knowledge of his part in the spread of an addiction epidemic in the United States or elsewhere. A strict opium licensing and control has been passed in Turkey to enforce the ban. In response to the Turkish decision, the United States Government has assured Turkey of financial assistance to offset foreign exchange losses from legitimate exports of opium gum and poppy products and to help establish development activities in the affected areas.

The action by Turkey is particularly significant in that it will remove the present major source of opium for heroin marketed in the United States. However, with the elimination of the Middle East source, illegal traffickers will look elsewhere, and we are now focusing on cooperative action plans with the governments of countries in Southeast Asia to prevent that area from serving as the alternative source for heroin.

Southeast Asia is the world's largest source of illicit opium, with an estimated annual output of 700 tons grown

in the upper reaches of Burma, Thailand, and Laos -- in the so-called Golden Triangle area. The bulk of the supply is consumed by Asians, but as is well known to this Committee a portion of it has been reaching U.S. troops in Viet-Nam in the form of #4 heroin. Our short-term goal is to stem the flow of illicit opium and opiates both to our military forces in Southeast Asia and to the continental United States. In the long-term, we would like to see the elimination of poppy growing. To achieve these goals, we must stimulate local government action. Let me cite a few examples.

Burma -- Burma is the largest producer of opium in Southeast Asia, accounting for an estimated 400 tons annually. While opium-smoking is fairly common among various hill tribes, most of the crop is smuggled out of the country into Laos and Thailand for local use or for refining into morphine base or heroin for shipment abroad. Production and trafficking is concentrated in the Shan States and Kachin State of northeast Burma which are dominated by dissident hill tribes or insurgent (Communist and non-Communist) groups whose activities are beyond the Government's

control. Highly organized groups arrange for the trafficking and refining of opium from Burma and eventual distribution to various parts of Southeast Asia.

Burmese leaders have recently become more aware of the seriousness of the problem and are increasingly concerned with means by which to control the traffic. The Burmese Government has been urging crop substitutes (primarily pyrethrum, corn and cotton) and an end to opium use for several years. They have experienced some success in areas they control, but the primary growing and trafficking areas are unaffected by any government presence.

A traditional non-aligned foreign policy and selfreliance have led the Burmese Government to forego foreign
assistance. However, there are now indications the government intends to increase its narcotics control activities
and we are hopeful that, as the magnitude of the problem
becomes clearer, outside assistance will be accepted.

Thailand -- In August 1971, our Ambassador to Thailand signed a joint statement with the Thai Foreign Minister which publicly expressed concern over the growth of drug addiction and drug abuse. On September 28 a U.S.-Thai

Memorandum of Understanding on international narcotics control was signed here in Washington, laying the ground-work for increasing our cooperative efforts. I am gratified to report that these high-level statements of intent are being translated into action.

I should like to note particularly the fine cooperation between our BNDD personnel in Thailand and the Royal Thai Police Department. This cooperation has been an essential element in a number of seizures and arrests of both Thai and U.S. citizens. Several rings involved in smuggling heroin to American consumers -- including U.S. servicemen -- have been smashed, and we have made a start in our objective to make life sufficiently risky for the traffickers to discourage others who may be tempted to smuggle illicit narcotics.

The Thai campaign against the illegal traffic in opium and its derivatives has several elements. The primary interest on the part of the U.S. Government has been in improving law enforcement since the legal bases -- the actual laws -- are already in effect. In addition, steps are being taken to find economic alternatives for the hill tribes which, throughout Southeast Asia, are traditional growers of opium.

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A major step in this direction was the signature of a drug abuse control project agreement in Bangkok on December 7, 1971, by the head of the Thai police and UN narcotics officials. The project calls for a contribution by the UN Fund for Drug Abuse Control of approximately \$2 million and an RTG contribution of approximately \$5 million in kind and cash spread over the period 1972-76. The initial country program (formulated in December 1971) had four principal aims to be implemented simultaneously: (a) opium poppy cultivation replacement; (b) drug addict treatment; (c) law enforcement; (d) drug abuse education and information. However, the agreed UN program notes US-RTG cooperation in the enforcement field and specifies simply a UN offer of "whatever technical aid may be required", such as seminars and fellowships sponsored by the Division of Narcotic Drugs in Geneva. Although the negotiation of this program was accomplished with dispatch, operations will be undertaken only when a Work Plan has been prepared by the UN and Thai program directors. The preamble to the program also notes the necessity for new Thai legislation concerning land tenure and civic rights in the tribal areas,

and for revision of Thai legislation dealing with the "treatment, rehabilitation and social reintegration" of addicts.

Opium-growing in Southeast Asia, its processing, and transport out of the Golden Triangle area apparently have not involved American citizens. However, the illegal onward movement of opium and its derivatives, especially heroin, to the big cities of Southeast Asia and the distribution in South Viet-Nam and to other American consumers in East Asia and the United States has been sufficiently profitable to attract American traffickers, mostly exservicemen. For example, on January 21, 1972, an ex-GI, Andrew Price, was arrested in Bangkok while almost simultaneously William Henry Jackson, a long-time American resident of Bangkok, and Sgt. Jerald Ganius were arrested in the United States. The arrests followed many months of investigation by the Thai police and BNDD agents in Thailand, and were the consequence of a shipment of 17 pounds of high-quality (No. 4) heroin from Thailand via U Tapao Airbase to the U.S., using forged military documentation. Price and Jackson were mentioned in the Murphy-Steele report of last May.

Laos -- Attention was first focused on Laos as a source of heroin supplied to U.S. forces in South Viet-Nam early last year when on two occasions smugglers arriving from Vientiane were apprehended with heroin at Tan Son Nhut airport in Saigon.

Since that time, with the encouragement of our Mission in Vientiane, the Royal Lao Government has initiated a narcotics control program aimed principally at interdicting the flow of opium and heroin through Laos from Burma. We believe that nearly all of the limited amount of opium grown in Laos is consumed by the hill tribesmen who cultivate it.

The Royal Lao Government started from scratch in setting up its control program. Opium smoking has been tolerated by Lao society in roughly the same manner as alcohol consumption is in our own society. Until September 23, 1971, when the first Lao narcotics control law was signed by the King, there were no legal sanctions against the cultivation, transportation or sale of opium and its derivatives. The new law, which took effect on November 15, imposes heavy penalties for any commercial activity involving opium or heroin.

Concrete results so far have included several important seizures of opium and heroin and acetic anhydride, the main catalyst in refining opium into No. 4 heroin.

Our intelligence sources indicated a virtual halt in the movement of heroin through Laos. In addition, a refinery near the Burmese border, which apparently supplied much of the heroin smuggled to South Viet-Nam, has been abandoned.

The most recent development directly affecting the supply of heroin to South Viet-Nam occurred on January 6 when Lao police, acting on information developed by BNDD agents, arrested a dealer who admitted he had supplied the heroin seized at Tan San Nhut early last year. Ten kilograms of heroin were in his possession when he was arrested.

The Lao program should become even more effective when their enforcement agencies are staffed to full strength with specially trained personnel. The American training and advisory effort was doubled earlier this month with the arrival in Vientiane of a party of Customs advisors who had completed orientation and language courses at the Foreign Service Institute.

<u>Viet-Nam</u> -- Viet-Nam is, of course, a victim nation -- not a producer of opium and its derivatives. Despite the

DECLASSIFIED PA/HO, Department of State E.O. 12958, as amended June 22, 2004 Government of Viet-Nam's obvious preoccupation with political and military matters, it is actively engaged in a nation-wide anti-narcotics campaign under the leadership of Admiral Chung Tan Cang. Initiation of the second phase of that campaign, which was scheduled to begin after Tet, was pushed forward to January 1, 1972. The Government of Viet-Nam, with the assistance of American Public Safety, Customs and BNDD advisors, is trying to upgrade the performance of the Vietnamese customs and police personnel by training them in the techniques of narcotics detection and intelligence gathering. The effort has paid off: in 1971 arrests of narcotics violators increased 70 percent over 1970; the confiscation of heroin rose from 5 kilos in 1970 to 123 kilos last year.

There is still much room for improvement, especially at the middle echelons of the bureaucracy. The U.S. Mission in Saigon continues to consult with the Government of Viet-Nam on ways to improve the anti-narcotics effort. An active rewards system, passage of the pending narcotics law, and stiffer sentencing of offenders by courts are all items of priority interest.

On the American side steady and encouraging progress has been made. A comprehensive narcotics control plan

for Viet-Nam sets forth goals and approaches for both the Government of Viet-Nam and the U.S., unilaterally, bilaterally, and regionally.

MACV's drug suppression and treatment program has succeeded in discouraging drug use among the U.S. military personnel. MACV has intensified educational and rehabilitative approaches, and today 1,800 personnel are involved in various aspects of MACV's campaign.

Given the difficulties of developing an effective antinarcotics program in a country whose society is as disrupted as South Viet-Nam's 1971 can be judged a year in which a promising start was made.

The Philippines -- In the Philippines, until recently, drug abuse has not been considered a serious problem, but it has been spreading rapidly in the last two years among Philippine youth. Philippine police officials estimate that 200,000 Filipinos regularly use some form of narcotic or dangerous drugs, of whom 7,000 are opium and heroin addicts.

U. S. Navy and Air Force servicement at the large Clark and Subic bases provide a continuing, but modest demand for all varieties of narcotics and dangerous drugs. While there is some drug use by U.S. military personnel and their dependents in the Philippines, its scale is considerably smaller than that among U.S. Forces stationed elsewhere in Southeast Asia.

All elements of the U. S. Mission, including BNDD, and representatives of the military commands, cooperate in the drug control effort. In addition to coordinating in-house American activities, the Mission has developed a program to provide assistance to the Government of the Philippines in the drug abuse field, particularly as it affects the American community.

As you know, the various military commands have their own active drug abuse programs focusing on testing, education, and treatment/rehabilitation. These programs are coordinated within the overall Mission program. The military commands are also working with the local communities to restrict the supply of drugs in the areas around our bases.

The Government of the Philippines has recently begun to devote greater attention to the drug abuse problem.

Last year President Marcos organized the Inter-organizational Council on Drug Abuse Prevention, under the Solicitor General, to coordinate the Government of the Philippine's drug abuse efforts. He has also urged priority enactment of legislation to replace antiquated laws; the proposed legislation would inter alia impose stiffer penalties on drug traffickers. Although law enforcement agencies have greatly increased their drug control activities in the last two years, they are handicapped by lack of trained personnel, funds, and logistical support. The U.S. assistance program will focus on improving law enforcement and intelligence capabilities, particularly in the areas near U.S. bases.

Korea -- In Korea, with a few minor exceptions (such as limited use of opium in rural areas), the Korean people do not generally use narcotics or dangerous drugs. The drug problem in Korea is thus limited to relatively minor use by American servicemen and sporatic efforts by these servicemen to smuggle drugs into the United States.

Although there have been some crude efforts by Koreans catering to American military personnel to convert morphine

base into heroin, the heroin problem in Korea is virtually negligible. There is a small but increasing problem with the use of barbiturates and amphetamines, some of which can be obtained in Korea without prescription.

Under the Status of Forces Agreement a joint U.S.Korean subcommittee is working on the drug problem and
cooperation between U.S. and Korean authorities has been
excellent. The U.S. Mission has also put together a Narcotics Control Program based upon potential rather than
actual drug abuse.

In addition to our bilateral efforts in Southeast Asia, we are also looking into regional schemes to curtail the flow of illicit drugs and narcotics. For example, effective plans must be developed for closing off air and sea traffic as avenues of smuggling. Adequate control is also required over the various APO's in the area.

I should like to shift now to West Germany where more than 200,000 U.S. troops are stationed.

In West Germany a variety of drugs may be obtained from both legal and illicit sources. Hashish, which enters

the country largely from the Middle East, is readily available from illicit sources in metropolitan areas as well as communities adjacent to troop complexes. Since there is no exact method of determining whether a person is using hashish, other than finding evidence of it in his possession, estimates of usage vary; but certainly it is a widespread problem among our troops, as it is among the German populace. Amphetamine-like products and some sedatives are available without prescription at German drug stores. LSD and other hallucinogens can be procured at low cost from a variety of illicit sources. Cocaine and heroin are available, but on a limited basis, and crude opium also has become available. However, tests show that opiate use among our troops in Germany is still very limited.

The drug control and prevention efforts of our forces include, along with important programs of education and rehabilitation, an aggressive suppression effort. All of the military enforcement efforts involve close coordination with local German police officials. The degree of cooperation by German officials consistently has been excellent

and has contributed significantly to our military drug prevention and control efforts. In addition to cooperation on the local level, which is particularly important since almost all enforcement activity in Germany is the responsibility of the State (Land) and local governments, we are working in close cooperation on drug matters with German Government officials at the Federal level.

We have been greatly aided by the growing attention which the German Government is devoting to the narcotics Within the context of its comprehensive "Action problem. Program against Drug Abuse," instituted in November 1970, Germany, among other measures, has tightened its drug laws -particularly against pushers -- and stepped up its enforcement efforts. The number of narcotics enforcement personnel at all levels of German Government has been increased and the effectiveness of its police and customs officials substantially improved. The German Government is also working closely with law enforcement agencies of neighboring countries in an effort to reduce the flow of narcotics into Germany. German Government officials have met with counterparts from the U.S. and in a number of European

countries and agreed on the intensification of information exchange and other support. Germany also has bilateral information exchanges with such countries as Turkey, Greece, and Iran and has assigned a narcotics officer to the staff of its Embassy in Ankara. In addition to its active role in UN and Common Market drug efforts, Germany cooperates on drug enforcement matters with members of the Brussels Customs Union. An effort is also being made to increase the effectiveness of the Federal Crime Office (Bundeskriminalamt) in Wiesbaden, which now has about ten men working solely on drug problems. The Crime Office maintains records on suspected narcotics traffickers and hopes to computerize this information by the end of 1972 to assist liaison efforts both with the local and international police.

An important part in our bilateral efforts to attack the military drug problem is played by the ongoing meetings between a U.S. forces/Embassy Task Force chaired by General McCarthy, USAREUR Assistant Deputy Chief of Staff, and a German inter-ministerial working group on drug abuse, which were instituted in Bonn on November 22, 1971. As a result of a U.S. proposal made in the initial meeting of

this group, Germany has indicated that efforts will be made to utilize the Crime Office as a centralized point for better and more systematic information exchange on a number of drug-related enforcement problems in Germany. Currently under discussion are proposals for tightening up the availability of Germany prescription narcotics to GIs, finding ways to deal with ex-servicemen who return to Germany to engage in illicit drug traffic, and developing institutions to facilitate a coordinated approach to military drug problems.

Cooperation with German narcotics enforcement agencies receives top priority in our bilateral program of cooperation on narcotics matters with the Germans. During the past year, the BNDD increased its staff in Germany from two to five officers and approved offices for Munich and Bonn, in addition to that in Frankfurt. Our exchanges on narcotics matters continue to be excellent at all levels of government. Our program embraces increased cooperation with the Germans on training and education programs, the sharing of narcotics control techniques, an increased exchange of intelligence data, mutual cooperation in social policy, international

youth activities and drug rehabilitation efforts, coordination of narcotics-connected scientific research, and further coordination of U.S.-German diplomatic efforts in producer countries.

Concurrently with these and other bilateral efforts, we support three major multilateral initiatives in drug control. First, the Department of State has mounted a world-wide diplomatic effort to bring about better control of production and distribution of opium and to reinforce the powers of the International Narcotics Control Board to cope with illicit production and traffic through proposed amendments to the 1961 Single Convention on Narcotics Drugs. I shall head the U.S. Delegation to the UN plenipotentiary conference scheduled for March 6-24 to consider amendments proposed by the U.S. and other countries.

Second, the United States joined with over 70 countries a year ago to negotiate the UN Convention on Psychotropic Substances designed to bring under international control such drugs as amphetamines, barbiturates, hallucinogens, and tranquillizers. On June 29, 1971, President Nixon sent the Convention to the Senate for advice and consent to ratification. The Committee on Foreign Relations held

hearings on the Convention on February 4. I hope the Senate will give early consideration to the treaty and that the United States will ratify it promptly.

Third, the United Nations Fund for Drug Abuse Control, established in April 1971, originated as a resolution introduced by the United States and co-sponsored by eight other countries in the United Nations Commission on Narcotic Drugs. The U.S. has contributed \$2 million, while pledges and contributions from other countries have brought the Fund up to \$3 million. Through increasing financial support from the other developed countries, the Fund is becoming an authentic international initiative with substantial capabilities. We shall, subject to Congressional authorizations, give continuing support to the Fund and encourage other countries to do likewise. The Fund will provide resources to finance projects under the UN Plan for Concerted Short-Term and Long-Term Action Against Drug Abuse. The agreement with Thailand which I mentioned earlier was the first major country project under the UN Plan.

Let me close by saying that we have made a good beginning in facing up to the international problem of drug abuse control. The organization of the U.S. Government for the achievement of effective international controls over narcotics and other dangerous drugs has been set; the responsible Federal Agencies are all faced in the same direction and are proceeding to attack the problem in a coordinated manner. During 1971 we have succeeded in alerting other nations to the universality of the drug problem and in pointing up the need for international cooperation in a comprehensive attack upon it. Through a systematic bilateral approach and an active participation in multilateral programs, we shall continue and intensify our efforts.

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